o reauthorize the impact aid program under the Elementary and Secondary Education Act of 1965.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the `Fair Funding for Schools Act of 2009'. SEC. 2. PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.

Section 8002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702) is amended--

- (1) in subsection (a)(1)(C), by amending the matter preceding clause (i) to read as follows:
- `(C) had an assessed value (according to original records (including facsimiles or other reproductions of those records) documenting the assessed value of such property (determined as of the time or times when so acquired) prepared by a legally authorized official or other records that the Secretary determines to be appropriate and reliable, including Federal agency records or local historical records) aggregating 10 percent or more of the assessed value of--';
 - (2) in subsection (f) by striking paragraphs (4) and (5);
 - (3) in subsection (h) by striking paragraphs (1) through (4) and inserting the following:
- `(1) FOUNDATION PAYMENTS FOR CURRENT ELIGIBLE LOCAL EDUCATIONAL AGENCIES-
- `(A) IN GENERAL- The Secretary shall first make a foundation payment to each local educational agency that was eligible for a payment under this section for fiscal year 2006.
- `(B) AMOUNT- The amount of payment under subparagraph (A) for a local educational agency shall be equal to 90 percent of the amount received by such local educational agency under subsection (a) for fiscal year 2006.
- `(C) INSUFFICIENT APPROPRIATIONS- If the amount appropriated under section 8014(a) is insufficient to pay the full amount determined under this paragraph for all eligible local educational agencies for the fiscal year, then the Secretary shall ratably reduce the payment to each local educational agency under this paragraph.
- `(2) FOUNDATION PAYMENTS FOR LOCAL EDUCATIONAL AGENCIES DEEMED ELIGIBLE AFTER FISCAL YEAR 2006-
- `(A) IN GENERAL- From the funds remaining after making payments under paragraph (1), the Secretary shall make a foundation payment to each local educational agency eligible for a payment under this section after fiscal year 2006 for the first fiscal year after fiscal year 2006 such local educational agency is eligible for such payment.
- `(B) AMOUNTS- The amount of a payment under subparagraph (A) for a local educational agency shall be determined as follows:
 - `(i) Calculate the local educational agency's maximum payment under subsection (b).
- `(ii) Calculate the percentage that the amount appropriated under section 8014(a) for the most recent fiscal year for which the Secretary has completed making payments under this section is of the total maximum payments for such fiscal year for all eligible local educational agencies and multiply the agency's maximum payment by such percentage.

- `(iii) Multiply the amount determined under clause (ii) by 90 percent.
- `(3) REMAINING FUNDS- From any funds remaining after making payments under paragraphs (1) and (2) for a fiscal year, the Secretary shall make a payment to each local educational agency that receives a foundation payment under paragraph (1) or (2) for the fiscal year in an amount that bears the same relation to the funds remaining as a percentage share determined for the local educational agency (by dividing the maximum amount that the agency is eligible to receive under subsection (b) by the total of the maximum amounts for all such agencies) bears to the percentage share determined (in the same manner) for all local educational agencies eligible to receive a payment under this section for the fiscal year, except that, for the purpose of calculating a local educational agency's maximum payment under subsection (b), data from the most current fiscal year shall be used.';
 - (4) by striking subsections (i), (k), and (m); and
 - (5) by redesignating subsection (I) and (n) as (i) and (j), respectively.
 - SEC. 3. PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.

Section 8003 of that Act (20 U.S.C. 7703) is amended--

- (1) in subsection (a)--
- (A) in paragraph (1), in the matter preceding subparagraph (A), by inserting after `such agency,' the following: `including those children enrolled in a State that has a State open enrollment policy (but not including children enrolled in a distance learning program not residing within the geographic boundaries of the agency),';
 - (B) in paragraph (2)--
 - (i) by redesignating subparagraphs (D) through (F) as (E) through (G), respectively;
 - (ii) by inserting after subparagraph (C) the following:
- `(D) Multiply the number of children described in subparagraphs (A) and (B) of paragraph (1) by a factor of 1.35 if the local educational agency has a total student enrollment of not less that 25,000 students, of which not less than 50 percent are children described in paragraph (1) and not less than 6,000 are children described in subparagraphs (A) and (B) of paragraph (1).'; and (iii) in subparagraph (E) (as as redesignated) by striking `10' and inserting `05':
- (iii) in subparagraph (F) (as so redesignated) by striking `.10' and inserting `.05';
- (C) in paragraph (4)(B), in each of clauses (i)(I) and (ii)(I), by striking `3 fiscal years' and inserting `4 fiscal years'; and
- (D) in paragraph (5)(A) by inserting after `1984,' the following: `or under lease of off-base property under subchapter IV of chapter 169 of part IV on subtitle A of title 10, United States Code (10 U.S.C. 2871 et. seq.),';
 - (2) subsection (b)(2)--
 - (A) in subparagraph (B)--
- (i) in the subparagraph heading by striking `CONTINUING';
- (ii) in clause (i) by striking subclauses (I) and (II) and inserting the following:
- `(I) is a local educational agency whose boundaries are the same as a Federal military installation or the boundaries are the same as island property designated by the Secretary of the Interior to be property that is held in trust by the Federal Government and the agency has no taxing authority, or the agency;
- `(II) has an enrollment of children described in subsection (a)(1) that constitutes a percentage of the total student enrollment of the agency that is not less than 40 percent;
 - `(III) has a per-pupil expenditure that is less than--
 - `(aa) for a local educational agency that has a total student enrollment of 350 or more

students, 120 percent of the average per-pupil expenditure of the State in which the agency is located; or

- `(bb) for a local educational agency that has a total student enrollment of less than 350--
- `(AA) 120 percent of the average per-pupil expenditure of the State in which the agency is located; or
- `(BB) the average per-pupil expenditure of 3 comparable local educational agencies in the State in which the agency is located;
- `(IV) has a tax rate for general fund purposes that is at least 95 percent of the average tax rate for general fund purposes of comparable local educational agencies in the State;
- `(V) for a local educational agency that has an enrollment of children described in subsection (a)(1) that constitutes a percentage of the total student enrollment of the agency which is not less than 30 percent, and has a tax rate for general fund purposes which is not less that 125 percent of the average tax rate for general fund purposes for comparable local educational agencies in the State; and
- `(VI) for a local educational agency that was eligible to receive a payment under this subsection for fiscal year 2008 and is located in a State that by State law has eliminated ad valorem tax as a revenue source for local educational agencies, the Secretary shall consider such agency as meeting the requirements of subclause (IV).'; and
 - (iii) by adding at the end of the following:
- `(iv) SPECIAL RULE- Notwithstanding clause (i)(II), a local educational agency shall be considered eligible to receive a basic support payment under subparagraph (A) with respect to the number of children determined under subsection (a)(1) if the agency--
- `(I) has an enrollment of children described in subsection (a)(1), including, for purposes of determining eligibility, those children described in subparagraphs (F) and (G) of such subsection, that constitutes a percentage of the total student enrollment of the agency that is not less than 35 percent; and
 - `(II) was eligible to receive assistance under subsection (b)(2) for fiscal year 2001.';
 - (B) by striking subparagraphs (C), (D), and (E);
 - (C) by inserting after subparagraph (B) the following:
 - `(C) MAXIMUM AMOUNT FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES-
- `(i) IN GENERAL- The maximum amount that a heavily impacted local educational agency is eligible to receive under this paragraph for any fiscal year is the sum of the total weighted student units, as computed under subsection (a)(2) and subject to clause (ii), multiplied by the greater of--
- `(I) four-fifths of the average per-pupil expenditure of the State in which the local educational agency is located for the third fiscal year preceding the fiscal year for which the determination is made; or
- `(II) four-fifths of the average per-pupil expenditure of all of the States for the third fiscal year preceding the fiscal year for which the determination is made.
- `(ii) SPECIAL RULE- (I)(aa) For a local educational agency with respect to which 35 percent or more of the total student enrollment of the schools of the agency are children described in subparagraphs (D) or (E) (or a combination thereof) of subsection (a)(1), and has an enrollment

of children described in subparagraphs (A), (B), or (C) of such subsection equal to at least 10 percent of the agency's total enrollment, the Secretary shall calculate the weighted student units of those children described in subparagraphs (D) or (E) of such subsection by multiplying the number of such children by a factor of 0.55.

- `(bb) For any local educational agency that received a payment under this clause for fiscal year 2006, the local educational agency shall not be required to have an enrollment of children described in subparagraph (A), (B), or (C) of such subsection equal to at least 10 percent of the agency's total enrollment.
- `(II) For a local educational agency that has an enrollment of 100 or fewer children described in subsection (a)(1), the Secretary shall calculate the total number of weighted student units for purposes of subsection (a)(2) by multiplying the number of such children by a factor of 1.75.
- `(III) For a local educational agency that does not qualify under subparagraph (B)(i)(I) of this subsection and has an enrollment of more than 100 but not more than 1000 children described in subsection (a)(1), the Secretary shall calculate the total number of weighted student units for purposes of subsection (a)(2) by multiplying the number of such children by a factor of 1.25.';
 - (D) by redesignating subparagraph (F) as (D) and, in that subparagraph--
 - (i) by striking clause (ii);
 - (ii) by striking `; and' at the end of clause (i) and inserting a period; and
- (iii) by striking `the Secretary' and all that follows through `shall use and inserting the Secretary shall use';
- (E) by redesignating subparagraph (G) as (E) and, in that subparagraph, in the matter preceding clause (i), by striking `(C)(i)(II)(bb)' and inserting `(B)(i)(II)(bb)';
 - (F) by redesignating subparagraph (H) as (F) and, in that subparagraph--
 - (i) in clause (i)--
 - (I) by striking `(B), (C), (D), or (E),' and inserting `(B) or (C),';
 - (II) by striking 'by reason of' and inserting 'due to';
- (III) by inserting after `clause (iii),' the following: `or as the direct result of base realignment and closure or modularization as determined by the Secretary of Defense and force structure change or force relocation,'; and
- (IV) by inserting before the period at the end the following: `or during such time as activities associated with base closure and realignment, modularization, force structure change, or force relocation is ongoing'; and
 - (ii) in clause (ii) by striking `(D) or (E)' in both places such term appears and inserting `(C)';
 - (3) in subsection (b)(3)(B)--
 - (A) by redesignating clause (iv) as (v); and
 - (B) by inserting after clause (iii) the following:
- `(iv) For any local educational agency that is providing a program of distant learning to children not residing within the geographic boundaries of the agency, the Secretary shall disregard such children from such agency's total enrollment when calculating the percentage under subclause (I) of clause (i) and shall disregard any funds received for such children when calculating the total current expenditures attributed to the operation of such agency when calculating the percentage under subclause (II) of clause (i).';
- (4) in subsection (b)(3)(C) by striking `or (E) of paragraph (2), as the case may be' and inserting `of paragraph (2)'.
 - (5) in subsection (b)(3), by amending subparagraph (D) to read as follows:
 - `(D) RATABLE DISTRIBUTION- For any fiscal year described in subparagraph (A) for which

the sums available exceed the amount required to pay each local educational agency 140 percent of its threshold payment the Secretary shall distribute the excess sums to each eligible local educational agency that has not received its full amount computed under paragraphs (1) or (2) (as the case may be) by multiplying--

- `(i) a percentage, the denominator of which is the difference between the full amount computed under paragraphs (1) or (2) (as the case may be) for all local educational agencies and the amount of the threshold payment as calculated under subparagraphs (B) and (C) of all local educational agencies, and the numerator of which is the aggregate amount of the excess sums by:
- `(ii) the difference between the full amount computed under paragraphs (1) or (2) (as the case may be) for the agency and the amount of the threshold payment as calculated under subparagraphs (B) and (C) of the agency.';
 - (6) in subsection (c) by amending paragraph (2) to read as follows:
- `(2) EXCEPTION- Calculation of payments for a local educational agency shall be based on data from the fiscal year for which the agency is making an application for payment if such agency--
 - `(A) is newly established by a State, for the first year of operation of such agency only; or
- `(B) was eligible to receive a payment under this section for the previous fiscal year and has had an overall increase in enrollment (as determined by the Secretary of Education in consultation with the Secretary of Defense, the Secretary of Interior, or the heads of other Federal agencies)--
 - `(i) of not less than 10 percent, or 100 students, of children described in--
 - `(I) subparagraph (A), (B), (C), or (D) of subsection (a)(1); or
- `(II) subparagraph (F) or (G) of subsection (a)(1), but only to the extent such children are civilian dependents of employees of the Department of Defense or the Department of the Interior; and
- `(ii) that is the direct result of closure or realignment of military installations under the base closure process or the relocation of members of the Armed Forces and civilian employees of the Department of Defense as part of force structure changes or movements of units or personnel between military installations or because of actions initiated by the Secretary of Interior or the head of another Federal agency.';
 - (7) in subsection (e) by striking paragraphs (1) and (2) and inserting the following:
- `(1) IN GENERAL- Subject to paragraph (2), the total amount the Secretary shall pay a local education agency--
- `(A) for fiscal year 2009, shall be not less than 95 percent of the total amount that the local educational agency received under subsection (b)(1), (b)(2), or (b)(2)(B)(ii) for fiscal year 2008;
- `(B) for fiscal year 2010, shall be not less than 90 percent of the total amount that the local educational agency received under subsection (b)(1), (b)(2), or (b)(2)(B)(ii) for fiscal year 2008; and
- `(C) for fiscal year 2011, shall be not less than 85 percent of the total amount that the local educational agency received under subsection (b)(1), (b)(2), or (b)(2)(B)(ii) for fiscal year 2008 of which such amount shall be considered a foundation payment for each succeeding fiscal year until such time as the agency's maximum payment as determined under paragraphs (1) or (2) of subsection (b), as the case may be, exceeds the amount provided for under this subparagraph.
 - `(2) RATABLE REDUCTION-
 - `(A) IN GENERAL- If the sums made available under this title for any fiscal year are insufficient

to pay the full amounts that all local educational agencies in all States are eligible to receive under paragraph (1) for such fiscal year, then the Secretary shall ratably reduce the payments to all agencies for such year.

- `(B) ADDITIONAL FUNDS- If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under subparagraph (A) shall be increased on the same basis as such payments were reduced.'; and
 - (8) by striking subsection (g).
 - SEC. 4. APPLICATION FOR PAYMENTS UNDER SECTIONS 8002 AND 8003.

Section 8005 of that Act (20 U.S.C. 7705) is amended by inserting a new subsection (e) as follows:

`(e) For the purpose of meeting the requirements of section 222.35 of the Code of Federal Regulations, the Secretary shall establish a third option for an applicant when counting its federally connected children by using the date established by the applicant to register the students of such applicant for the fiscal year for which the application is filed.'.

SEC. 5. CONSTRUCTION.

Section 8007 of that Act (20 U.S.C. 7707) is amended--

- (1) in subsection (a)--
- (A) in paragraph (1), by striking `40 percent' and inserting `80 percent.';
- (B) in paragraph (2) by adding at the end the following:
- `(C) The agency is eligible under section 8003(b)(2) or is receiving a basic support payment under circumstances described in section 8003 (b)(2)(B)(ii).'; and
 - (C) by striking paragraph (3) and inserting the following:
 - `(2) AMOUNT OF PAYMENTS-
- `(A) LOCAL EDUCATION AGENCIES IMPACTED BY MILITARY DEPENDENT CHILDREN-The amount of a payment to each local educational agency described in this subsection that is impacted by military dependent children for a fiscal year shall be equal to--
- `(i)(I) 40 percent of the amount appropriated under section 8014(e) for such fiscal year; divided by
- `(II) the number of children described in subparagraphs (B) and (D)(i) of section (8003)(a)(1) who were in average daily attendance for all local educational agencies described in paragraph (2), including the number of children attending a school facility described in section 8008(a) if the Secretary does not provide assistance for the school facility under that section for the fiscal year; multiplied by
 - `(ii) the number of children determined for such agency;
- `(I) but not less than \$25,000, except that this subparagraph shall not apply if the amount available to carry out paragraph (1) for such fiscal year is less than \$32,000,000; and `(II) not more than \$4,000,000.
- `(B) LOCAL EDUCATIONAL AGENCIES IMPACTED BY CHILDREN WHO RESIDE ON INDIAN LANDS- The amount of a payment to each local educational agency described in the subsection that is impacted by children who reside on Indian lands for a fiscal year shall be equal to--
- `(i)(I) 40 percent of the amount appropriated under section 8014(e) for such fiscal year divided by
 - `(II) the number of children described in section 8003(a)(1)(C) who were in average daily

attendance for all local educational agencies described in paragraph (2); multiplied by--

- `(ii) the number of children determined for such agency;
- `(I) but not less than \$25,000, except that this subparagraph shall not apply if the amount available to carry out paragraph (1) for such fiscal year is less than \$32,000,000; and
 - `(II) not more than \$4,000,000.'; and
 - (2) in subsection (b)--
- (A) in paragraph (1), in the matter preceding subparagraph (A), by striking `60 percent' and inserting `20 percent';
- (B) in paragraph (3)(A), in the matter preceding clause (i), by inserting after `an emergency grant under paragraph (2)(A)' the following: `if the agency is covered by paragraph (7), or';
- (C) in paragraph (3)(C)(i)(I) by striking `the agency meets at least one' and all that follows through the period at the end and inserting `the number of children determined under section 8003(a)(1)(C) for the agency for the preceding school year constituted at least 40 percent of the total student enrollment in the schools of the agency during the preceding school year.';
 - (D) by striking paragraph (3)(D)(ii)(II) and inserting the following:
- `(II) The number of children determined under section 8003(a)(1)(C) for the school for the preceding school year constituted at least 40 percent of the total student enrollment in the school during the preceding school year.'.
 - (E) in paragraph (4)(C) by striking $\hat{(A)}$, (B), (C), and (D)' and inserting $\hat{(A)}$ and (C)';
- (F) by redesignating paragraph (7) as paragraph (8); and
- (G) by inserting after paragraph (6) the following:
- `(7) SPECIAL RULE- Notwithstanding paragraphs (3)(C)(i)(I) and (3)(D)(ii)(II), a local educational agency is eligible to receive a grant under this subsection not to exceed \$4,000,000 in any one fiscal year if such agency--
- `(A) was eligible to receive a payment under section 8003 for the fiscal year prior to the year for which the application is made; and
 - `(B) has had an overall increase in enrollment--
- `(i) during the period between the end of the school year preceding the fiscal year for which the application is made and the beginning of the school year immediately preceding that school year;
 - `(ii) of not less than 100 students or 10 percent (whichever is lower), are children described in--
 - (I) subparagraphs (A), (B), (C), or (D) of section 8003(a)(1); or
- `(II) subparagraphs (F) or (G) of section 8003(a)(1), but only to the extent such children are civilian dependents of employees of the Department of Defense; and
 - `(iii) that is the direct result of one or more of the following:
- `(I) Base realignment and closure or global rebasing, as determined by the Secretary of Defense.
 - `(II) Force structure changes or force reductions.
 - `(III) An action initiated by the Secretary of Interior or head of another Federal agency.'.
- SEC. 6. STATE CONSIDERATION OF PAYMENTS IN PROVIDING STATE AID.

Section 8009 of that Act (20 U.S.C. 7709) is amended--

(1) in subsection (b)(1) by inserting before the period at the end the following: `and for which the average per-pupil expenditure is equal to or greater than the average per-pupil expenditure of all the States in the third fiscal year preceding the fiscal year for which the State is applying for equalization under this section';

- (2) in subsection (b)(2) by striking subparagraphs (A) and (B) and inserting the following: `(A) STATES CURRENTLY QUALIFYING-
- `(i) IN GENERAL- For purposes of paragraph (1), a program of State aid for any State qualifying under this section for fiscal year 2006 equalizes expenditures among local educational agencies if, in the second fiscal year preceding the fiscal year for which the determination is made the amount of per-pupil expenditures made by, or per-pupil revenues available to, the local educational agency in the State with the highest such per-pupil expenditures or revenues did not exceed the amount of such per-pupil expenditures made by, or per-pupil revenues available to, the local educational agency in the State with the lowest such expenditures or revenues by more than 25 percent as calculated under clause (ii).
- `(ii) OTHER FACTORS- Notwithstanding regulations in effect prior to the date of enactment of this subparagraph, in making a determination under this subparagraph, the Secretary shall--
- `(I) arrange all local educational agencies in the State by per-pupil expenditures or revenues in descending order from the highest to the lowest;
- `(II) using per-pupil expenditures or revenues as the only criteria disregard those local educational agencies that are spending above the 95th percentile and those spending below the 5th percentile;
- `(III) identify the local educational agency at the 95th percentile and the local educational agency at the 5th percentile;
- `(IV) subtract the amount of per-pupil expenditures or revenues of the local educational agency at the 5th percentile from the amount of per-pupil expenditures or revenues of the local educational agency at the 95th percentile and divide the difference by the per-pupil expenditures or revenues of the local educational agency at the 5th percentile; and
- `(V) take into account the extent to which a program of State aid reflects the additional cost of providing free public education in particular types of local educational agencies, such as those that are geographically isolated, or to particular types of students, such as children with disabilities.
 - `(B) NEW STATES APPLICANTS-
- `(i) IN GENERAL- For purposes of paragraph (1), a program of State aid for any State qualifying under this section after fiscal year 2006 equalizes expenditures among local educational agencies if, in the second fiscal year preceding the fiscal year for which the determination is made, the amount of per-pupil expenditures made by, or per-pupil revenues available to, the local educational agency in the State with the highest such per-pupil expenditures or revenues did not exceed the amount of such per-pupil expenditures made by, or per-pupil revenues available to, the local educational agency in the State with the lowest such expenditures or revenues by more than 10 percent as calculated under clause (ii).
- `(ii) OTHER FACTORS- Notwithstanding regulations in effect prior to the date of the enactment of this subparagraph, in making a determination under this subparagraph, the Secretary shall--
- `(I) arrange all local educational agencies in the State by per-pupil expenditures or revenues in descending order from the highest to the lowest;
- `(II) using per-pupil expenditures or revenues as the only criteria disregard those local educational agencies that are spending above the 95th percentile and those spending below the 5th percentile;
- `(III) identify the local educational agency at the 95th percentile and the local educational agency at the 5th percentile;

- `(IV) subtract the amount of per-pupil expenditures or revenues of the local educational agency at the 5th percentile from the amount of per-pupil expenditures or revenues of the local educational agency at the 95th percentile and divide the difference by the per-pupil expenditures or revenues of the local educational agency at the 5th percentile; and
- `(V) take into account the extent to which a program of State aid reflects the additional cost of providing free public education in particular types of local educational agencies, such as those that are geographically isolated, or to particular types of students, such as children with disabilities.'; and
 - (3) in subsection (d)(2)--
 - (A) by striking `A State' and inserting the following:
 - `(A) IN GENERAL- A State'; and
 - (B) by adding at the end of the following:
- `(B) STATES THAT ARE NOT EQUALIZED STATES- A State that has not been approved as an equalized State under subsection (b) shall not consider funds received under section 8002 or section 8003 of this title in any State formula or place a limit or direct the use of such funds.'. SEC. 7. DEFINITIONS.

Section 8013 of that Act (20 U.S.C. 7713) is amended--

- (1) in paragraph (1) by striking `and Marine Corps' and inserting `Marine Corps, and Coast Guard':
 - (2) in paragraph (4)--
- (A) in the first sentence thereof, by striking `part (A) of title I and title VI' and inserting `title I and part A of title V'; and
 - (B) in the second sentence, by striking 'be determined' and inserting 'be made';
 - (3) in paragraph (5)(A)(iii), by amending subclauses (II) and (III) to read as follows:
- `(II) used to provide housing for homeless children at closed military installations pursuant to section 501 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411);
- `(III) used for affordable housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.);';
- (4) in paragraph (8)(A), by inserting commas before and after `and verified by'; and
- (5) in paragraph (9)--
- (A) by amending subparagraph (A) to read as follows:
- `(A) IN GENERAL- Except as provided in subparagraph (B), the term local educational agency--
- `(i) means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent school district, or other school district; and
- `(ii) includes any State agency that directly operates and maintains facilities for providing free public education;

that, except for those local educational agencies determined to be eligible to receive a payment under section 8003 prior to the date of the enactment of the Fair Funding for Schools Act of 2009, when submitting an application under this title for the first time on or after the date of the enactment of such Act, has the authority to tax and has boundaries as defined by applicable State law for the purposes of levying such taxes, or has been granted the authority to receive an imputed tax from a city, county, township, or other general-purpose political subdivision of a State.'; and

(B) in subparagraph (B), by inserting a comma after `Secretary determines'.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

Section 8014 of that Act (20 U.S.C. 7714) is amended--

- (1) in subsection (a) by striking `\$32,000,000 for fiscal year 2000' and inserting `\$75,000,000 for fiscal year 2010';
- (2) in subsection (b) by striking `\$809,400,000 for fiscal year 2000' and inserting `\$1,225,000,000 for fiscal year 2010';
- (3) in subsection (c) by striking `\$50,000,000 for fiscal year 2000' and inserting `\$55,000,000 for fiscal year 2010';
- (4) by redesignating subsection (e) as (d) and, in that subsection, by striking `\$10,052,000' and all that follows through `and such sums' and inserting `\$150,000,000 for fiscal year 2010 and such sums';
- (5) by redesignating subsection (f) as (e) and, in that subsection, by striking `\$5,000,000 for fiscal year 2000' and inserting `\$10,000,000 for fiscal year 2010'; and
 - (6) by adding at the end of the following:
- `(f) Allocation of Dollars From Previous Fiscal Years- When final payments are made for a fiscal year the Secretary shall add any remaining funds to those funds appropriated for such section for the next fiscal year for the purpose of making payments subject to the provisions of the applicable section.'.
 - SEC. 9. ADDITIONAL AND CONFORMING AMENDMENTS.
- (a) Subpart 20 (20 U.S.C. 7281 et seq.) of part D of title V of that Act (relating to additional assistance for certain local educational agencies impacted by Federal property acquisition) is repealed.
- (b) Title VIII of Elementary and Secondary Education Act (20 U.S.C. 7701 et seq.) is further amended--
 - (1) in section 8004 (20 U.S.C. 7704)--
 - (A) in subsection (e)(1)(B)(i), by striking `involved, or if' and inserting `involved or, if';
 - (B) in subsection (f), by striking `upon' and inserting `on';
- (2) in section 8008(a) (20 U.S.C. 7708(a)), by striking `section 8014(f)' and inserting `section 8014(e)';
 - (3) in section 8010 (20 U.S.C. 7710)--
 - (A) in subsection (b), by striking out `require' and inserting in lieu thereof `need'; and
 - (B) in subsection (c)(1)--
 - (i) in subparagraph (A), by striking `paragraph (3)' and inserting `paragraph (2)'; and
 - (ii) in subparagraph (B), by striking `paragraph (3)' and inserting `paragraph (2)'; and
- (4) in section 8011(a) (20 U.S.C. 7711 (a)), by striking `or under' and all that follows through `of 1994)'.